
EFFECTIVE

January 1, 2020.

Subject(s)

1. Homeless shelter deduction.
2. Computing the Food Assistance Program (FAP) budget.
3. Categorical eligibility.
4. Asset limits.
5. Food Assistance lottery/gambling winnings.
6. Simplified reporting.
7. Lottery match.

**1) Homeless
Shelter Deduction****BEM 554****FAP**

Groups in which all members are homeless and do not receive free shelter (for example, domestic violence or homeless shelters, etc.) may receive a homeless shelter deduction; see *RFT 255, Food Assistance Standards*.

The FAP group has the choice between using their actual shelter expense(s) or the homeless shelter deduction.

Reason: New provision to the Agricultural Act of 2018.

**2) Computing the
Food Assistance
Budget****BEM 556****FAP**

Added homeless shelter deduction to food assistance budget.

Reason: New provision to the Agricultural Act of 2018.

**3) Categorical
Eligibility****BEM 213****FAP Only**

Traditional categorically eligible groups now have a lottery or gambling winnings limit of less than \$3,500.

4) Asset Limits

Reason: New provision to the Agricultural Act of 2014.

BEM 400**FAP**

All FAP groups now have a lottery or gambling winnings limit of less than \$3,500.

Reason: New provision to the Agricultural Act of 2014.

SSI Related MA

Updated the annual Cost of Living Adjustments (COLA) increases in the spousal impoverishment standards, the home equity limit, and the divestment divisor.

**5) Food Assistance
Lottery/Gambling
Winnings****BEM 403****FAP**

All FAP groups, no matter if they have an asset test, must report when they receive substantial lottery or gambling winnings within 10 days of the date the household receives the winnings. Substantial lottery or gambling winnings is currently \$3,500.

When MDHHS learns of a FAP group receiving a lottery or gambling winning of \$3,500 or more, close the FAP case giving timely notice for the negative action.

All FAP groups closed for receiving substantial lottery or gambling winnings remain ineligible until they meet allowable income and asset tests. The next time the group reapplies, they will not be considered categorically eligible. The group's eligibility must be determined under regular FAP rules. This means SDV groups must have countable assets of less than \$3,500 and all other groups must have assets less than \$2,250. Also, the group must have net income of less than the monthly net income limit; see RFT 250. This applies only to the first time the group is certified following the loss of eligibility for substantial lottery winnings.

Reason: New provision to the Agricultural Act of 2014.

6) Simplified Reporting**BAM 200**

Simplified Reporting groups now have a reporting requirement of \$3,500 or more for lottery and gambling winnings.

Reason: New provision to the Agricultural Act of 2014.

7) Lottery Match**BAM 809**

All FAP groups.

- If winnings are less than \$3,500, send a DHS-3503, Verification Checklist, request to determine if the client is over the asset limit. Follow the *Lump Sum/Accumulated Benefits Field Reference Guide* for budgeting located at the Office of Workforce Development and Training website.
- If winnings are \$3,500 or more, take appropriate action to close the case; give clients timely notice.

Reason: New provision to the Agricultural Act of 2014.

**MANUAL
MAINTENANCE
INSTRUCTIONS**

Added Items ...

[BEM 403](#)

Changed Items ...

[BAM 200](#)

[BAM 809](#)

[BEM 213](#)

[BEM 400](#)

[BEM 554](#)

[BEM 556](#)